



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION IX  
75 Hawthorne Street  
San Francisco, CA 94105

**Confidential Settlement Communication—Protected under Fed. R. Evid. 408**

June 5, 2017

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RE: Anaconda Mine Site: Settlement of Cost Recovery Claims in Conjunction with Potential  
Deferral of NPL Listing

Dear Counsel:

This is to summarize EPA's revised demand for reimbursement of past costs in conjunction with potential deferral of the Anaconda site. This revised demand reflects a deduction of \$739,093 from the initial demand of May 23, 2017 and supplants the May 23 initial demand. The deduction had been previously agreed between EPA and ARC and was omitted from the initial demand. The cost summary for OUs 00 and 02-07 will be revised to reflect this deduction.

EPA will settle and provide a covenant to ARC for all its past costs at the Site, provided that all other agreements necessary for deferral of the Site to Nevada state authorities are executed, in exchange for a payment by ARC of \$8,531,900 to EPA and a waiver by ARC of all potential claims for reimbursement under CERCLA section 106(b)(2) for costs ARC has incurred in compliance with Unilateral Administrative Orders 9-2005-0011 and 9-2007-0005 and Administrative Order on Consent 9-2009-0010. EPA's cost demand is composed of \$5,008,000 for OU1 and \$3,523,900 for OUs 00, and 02-07. This cost demand does not include EPA's accrued costs for OU8, an amount in excess of \$7,000,000.

Thank you for your courtesy and cooperation in the resolution of these matters.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Collins".

J. Collins

Assistant Regional Counsel

cc: Nathalie Doherty, BLM  
Angeles Herrera, EPA